

Date: 16 May 2005

To: Labour

From: Stan Greenberg
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RE: LOOKING AT THE 2005 VOTE AND LABOUR'S DIMINISHED STANDING
First report on the 2005 Labour campaign

The election brought an historic third term victory, and for that, we salute your extraordinary resolve. The 67-seat majority is a real majority that can bring ambitious changes and reforms. We look forward to the Queen's Speech. Indeed, we think once the fog has cleared, voters may begin to remember why they want a Labour government after all.

Nonetheless, our majority is much diminished and well below our shared goals. We believe it is below what was possible, particularly with so many people working their heart out for a stronger result. That Labour's share of the vote was reduced to 35.2 percent and turnout still historically low at 61.3 percent are symbols of our diminished position in society.¹ Understanding what happened is essential if Labour is to succeed in this parliament, block a Conservative revival, and reclaim a higher electoral standing. It is critical to our prospective success in local elections, as well as any potential EU referendum.

We have prepared this analysis for you, but you are obviously free to share it with whomever you think appropriate.

Big forces of discontent stood between us and a better result for Labour, but to the end, almost 40 percent of the likely voters identified with Labour. Even small improvements in the Labour vote, our modeling confirms, could have changed the character of the results. If the Labour share was 1-point higher, it would have held 10 additional seats and achieved an 87 seat majority; a 2-point improvement (to just 37 percent of the vote) would have enabled Labour to hold 18 more seats compared to May 5th, with a 103 seat majority. Even running the model with the most cautious assumptions that lock-in the Conservative vote, a 2-point gain in the Labour share would have allowed Labour to hold 13 more seats and a 93-seat majority.²

¹ This is the result for the United Kingdom, including Northern Ireland. If we look at Great Britain only, the share is 36.2 percent. The later analysis is based on Britain only.

² This estimate is based on a computer simulation that takes the increased vote from all the other parties according to their share of the vote; a second more cautious simulation assumes that the Conservatives cannot be further eroded, so all additional Labour gains comes from other parties.



We want to devote this first memo to understanding how the electorate got to this result. While many commentators were puzzled by contradictory patterns, even in neighboring seats, there is a lot of clarity when one uses the our Mosaic (life style) segmentation that clusters all the seats into types of safe and marginal seats. Labour fell short, we shall see shortly, because of very distinctive voting dynamics in the various segments of the electorate, especially the marginals.³

- In the safe Labour segments, there was mass Labour defection to the Liberal Democrats, rising with ethnic diversity and education.
- In the safe Conservative segments, there was no Tory revival or mobilization.
- In the Labour marginals, we lost ground in the middle class marginals, driven by two dominant developments: first, the anti-immigrant (and anti-Europe) reaction in the *Southeast Middle Class* seats; and second, the return to pre-New Labour trends in the *Suburban London Upscale* seats.
- In the Labour-LibDem marginals, the Liberal Democrats emerged as the fashionable opposition, accounting for more than one-quarter of Labour's lost seats.
- The Liberal Democrats failed to challenge the Conservatives in their key marginals contests.

The big national picture itself is not complicated. Labour at 36 percent of the vote in Great Britain lost 5.8 points off its 2001 share of the vote, while the Conservatives remained stuck at 33 percent. The Liberal Democrats raised their vote by 3.7 points to 23 percent, with the remainder picked up by UKIP (up 0.8 points) and the BNP (0.5), as well as the Greens (0.4). While the Conservatives raised their vote share by only half a point, there are a lot of dislodged conservative voters and a lot of seats where Labour's current majority is very narrow.

³ The constituencies fall into 19 segments—defined by party competitiveness and clustered by socio-economic similarity, using the 11 Mosaic life-style groups and 61 types.



Safe Labour Seats

	Seat changes		Vote share 2005 – 2001		
	Labour to Tory	Labour to Lib Dems	Labour	Tories	Lib Dems
Country-wide (all British voters)	12	12	12	+0.6	+1.1
Safe Labour Segments					
Less Urban Manufacturing	1	-	-5.9	0.0	+4.7
Urban Manufacturing	-	-	-7.2	-1.0	+5.9
London Diversity	-	-	-12.0	-0.7	+6.5
London/Suburban Sth Asian Enterprise	-	-	-7.8	-0.9	+6.7
Urban Educated	-	4	-10.5	-0.8	+9.8

The Safe Labour Seats

Mass Labour defection to LibDems, rising with diversity and education

In the safe Labour segments of the electorate, Labour crashed, with mass defection to the Liberal Democrats, as we see in the table above. That defection took place in all segments, bypassing the Conservatives who lost ground, but grew in force with rising ethnic and cultural diversity and growing education. In the most upscale and diverse segments, *London Diversity* and *Urban Educated* seats, Labour's vote share dropped more than 10 points. But Labour lost disproportionate ground in other safe segments as well, including the *London/Suburban South Asian* and the *Urban Manufacturing* seats.

In every safe Labour segment, the Liberal Democrats surged, well above their gain nationally – almost twice their national gains in three of the segments and almost three times in the *Urban Educated* seats, where they gained 9.8 points. That extraordinary swing flipped four safe seats to the Liberal Democrats.⁴ Labour's collapse and the LibDem gains were less pronounced in the safe manufacturing seats but still disproportionately high.

Safe Conservative Seats

No Conservative Revival or Mobilization

In the Conservative heartland of safe Conservative seats, Howard's base-oriented campaign created barely a stir. This was not even a successful campaign for the loyalists. While Labour lost ground in all the safe Tory segments, that merely reflected national trends and no more. The Conservative vote share remained unchanged in safe *Older Suburban*, as well as in the safe

⁴ Please note that the end of year poll in 2004, using the combined data set, underscored the potentially large swing against Labour in the *London Diversity* seats.



Rural seats. In the safe *Upscale* seats, perhaps reflecting trends in the more competitive London suburbs, the Conservatives made a modest 2.2 point gain.

There was no surge in turnout in the safe Tory seats, rising just over 2 points, paralleling the modest national rise.

The Liberal Democrats underperformed here relative to their national gains, suggesting that their current positioning (left of Labour) does not allow them to erode the Conservatives.

Safe Conservative Seats

	Seat changes		Vote share 2005 – 2001		
	Labour to Tory	Labour to Lib Dem	Labour	Tories	Lib Dem
All British voters	-0.6	+3.7			
Safe Tory Segments					
Rural	-	-	-4.1	+0.7	+1.8
Upscale	-	-	-5.0	+2.2	+2.4
Older Suburban	-	-	-5.3	-0.2	+3.1

The Labour Marginals

Two key dynamics driving losses in the middle class marginals

The Labour-Tory marginals were obviously the most important ground in terms of our majority. Here, Labour gave up 29 seats to the Conservatives. Our losses were produced by two distinct and dominant dynamics in the middle class marginals: first, the anti-immigrant (and anti-Europe) reaction in the *Southeast Middle Class* seats; and second, the return to pre-New Labour trends in the *Suburban London Upscale* seats. In both these areas, Labour lost ground at 2-points greater than its national rate, while the Conservatives gained share at almost 2-points above its. Rather than being squeezed, the Liberal Democrats stayed at their national rate. That combination produced the highest rate of marginal seats lost. Both of these segments and their issues pose continuing challenges for Labour in the future.

That Labour's losses were kept to a minimum in the working class segment of seats only highlights the problems in the middle class marginals.

The Labour Marginals

	Seat changes		Vote share 2005 – 2001		
	Labour to Tory	Labour to Lib Dems	Labour	Tories	Lib Dems
Labour to Tory	12	-	-5.8	+0.8	+3.7
Southeast Middle Class	8	-	-7.5	+2.0	+3.5
Suburbs/London Upscale	8	-	-7.3	+2.2	+4.3
Provincial Older Middle Class	10	-	-6.2	+0.9	+3.9
Rural Older Working Class	3	-	-5.3	-0.6	+2.9

The Southeast Middle Class Marginals. This is where Labour suffered its biggest loss in support in the marginals – down 7.5 points. Based on pre-election polls, these were the voters most angry about trends on immigration and crime and most open to the Conservative message. Unlike the rest of the country, the Conservatives gained 2-points, but it could have been worse. The pull back from Labour was split with a variety of anti-immigrant and anti-Europe parties who, together, gained over 2 points.

The Liberal Democrats were much less important to the story here, as their rise matched their national gains. But that also means we were not able to squeeze the Liberal Democratic vote, as they followed the national trend, even in the key Labour-Tory marginals. The major pull back from Labour, with modest Tory gains, gave eight Labour seats to the Conservatives.

The Suburban London Upscale Marginals. In some ways, these losses are the most disturbing, as they may pre-stage a return to more conventional politics where suburban upscale voters worry about taxes, housing costs, and waste, as well as Iraq. Labour lost 7.3 points off its vote share, almost matching the losses in the Southeast marginal seats. But here, the LibDems made more gains, perhaps reflecting higher Iraq concern in greater London. And the Conservatives made their biggest gains here, up 2.2 points. The combination gave the Conservatives eight formerly Labour seats.

Provincial Older Middle Class Marginals. Labour lost 10 seats in this segment of the marginals, but this segment included almost 40 percent of all the Labour-Tory marginals. Labour lost significant ground here, with its vote share dropping 6.2 points, but this is just above the national rate of decline. Both the Liberal Democrats and Conservatives gained here but only reflecting national trends. Our losses here in this diverse segment of marginals mainly reflects the national trends, rather than any specific dynamic within this segment of the marginals.

Rural Older Working Class. We lost only three seats here, as these include marginal seats with older manufacturing areas and many more working class voters. Labour lost ground here (-5.3 points) but slight below the national trend; the Liberal Democrats gained (2.9 points)

but also slightly below the national trend. As in other working class areas of the country, the Conservatives lost ground. That allowed Labour to minimize its losses here.

The Labour-LibDem Marginals

The LibDems becoming the fashionable opposition

Overall, Labour lost ten seats to the Liberal Democrats in the marginals – and we should likely add the four that the LibDems picked up in the *Urban Educated* safe Labour seats. Thus, these segments account for about a quarter of the seats Labour lost on May 5th.

What these segments share is a big surge in the vote share for the Liberal Democrats, well above the national rate of increase, with the Conservative vote being squeezed and dropping in all segments. We ask, as you do: Are these trends specific to this election against the Iraq backdrop or do they reflect a longer-term competition with the more left-oriented Liberal Democrats?

The Labour—Liberal Democratic Marginals

	Seat changes		Vote share 2005 – 2001		
	Labour to Tory	Labour to Lib Dems	Labour	Tories	Lib Dems
Country-wide (all British voters)	31	12	-5.8	+1.1	+3.7
Labour-LibDem Marginals	3	3	-3.9	+1.1	+5.1
Urban Educated	3	3	-6.0	-0.2	+5.7
Local Marginals	2	2	+0.2	-2.1	+7.2

The Labour-Liberal Democratic Marginals. Labour lost three seats to the Liberal Democrats, which may be an honorable result, given the national trend of sharply lower Labour support, with significant defection to the Liberal Democrats. Labour actually performed respectably in the Labour-LibDem marginals. It held its vote slippage to 3.9 points, below the national rate, while the Tories lost almost 2 points off their 2001 performance.

On the other hand, the Liberal Democrats gained 5 points, with no fragmentation to smaller parties on the left. When they were the clear opposition, they were the fashionable choice.

The 3-way Marginals. On the other hand, the small number of 3-way marginals were not pretty. Labour lost three seats here. Labour crashed, with their vote share down 6.0 points, while the Liberal Democrats picked up 5.7 points.

The Scotland Marginals. Scotland as a whole and the Scotland marginals gave the Liberal Democrats two more seats. This was less about erosion of Labour support and more about



the Liberal Democrats becoming the opposition vote of choice. The nationalists lost 6.3 points off their vote.

Labour maintained its 2001 performance in the Scottish marginals (gaining 0.2 points), but lost 4.5 points in Scotland as a whole. This represents much greater Labour solidity than in any of the LibDem marginals or in any of the safe Labour segments. The Conservatives lost 2.1 points in the Scottish marginals.

That means our losses were produced by dynamics within the opposition. The nationalist vote gave way as the Liberal Democrats gained 7.2 points in the Scottish marginals and 6.3 points overall in Scotland. We do not know whether this development forms part of our electoral future.

The Tory-Liberal Democratic Marginals

LibDems fail to challenge the Conservatives

One of the more important stories of this election is the failure of the Liberal Democrats to challenge the Tories. In their key segments, the Conservatives made gains and were not challenged. The Conservatives did respectfully in the rural seats, picking up a half point but more importantly, gained significantly (2.2 points) in their upscale and suburban seats. The Liberal Democrats failed to increase their vote share, indeed lost ground in the upscale seats.

The Liberal Democrats may have to choose between their two sets of marginals in the next election. The experience of 2005 was significantly successful on the left and against Labour, but brought no gains on the right against the Conservatives. With their rising vote share and visibility, it may no longer be possible for the Liberal Democrats to engage successfully on both fronts.

The Conservative—Liberal Democratic Marginals

	Seat changes		Vote share 2005 – 2001		
	Labour to Tory	Labour to Lib Dems	Labour	Tories	Lib Dems
Country-wide (all British voters)				+0.6	+3.7
Marginal Tory-LibDem Segments					
Upscale			-0.2	+2.2	-2.7
Older Rural			-1.8	+0.5	+0.2

This memo tried to outline the principle dynamics in the May 5th election, focusing on the key segments of marginal and safe seats. This represents the baseline and first cut at assessing what happened and what next.